

## **Addendum**

(May 2003)

### **Guidance: Documentation Requirements for Exemption Requests Under EPAct State and Fuel Provider Sections 490.308 and 490.204—Biodiesel Fuel Use**

The U.S. Department of Energy (DOE) believes that biodiesel is a viable option for all fleets unless provided with information clearly indicating otherwise. As a result, exemption requests submitted by covered fleets to DOE *must* address the use of biodiesel fuel blends in medium- and heavy-duty on-road vehicles. For fleets seeking exemptions, the only justifications for not using biodiesel are if the fleet lacks medium or heavy-duty vehicles or the fleet can prove that fuel suppliers will not make fuel available in their service area. This is similar to DOE's policy of requiring fleets to demonstrate why they cannot acquire alternative fuel vehicles (AFVs) or why alternative fuels are not available before exemptions are granted.

In January 2001, a final regulation was issued that awards AFV acquisition credits under the State & Alternative Fuel Provider Program for fleets that purchase biodiesel blends of 20% or greater for use in vehicles having a gross vehicle weight rating (gvwr) of more than 8,500 pounds. One credit is awarded for every 450 gallons of pure (100%) biodiesel that is purchased for use in these blends. Covered fleets may purchase biodiesel for use in blends to meet up to a maximum of 50% of their acquisition requirements. Biodiesel fuel providers may use biodiesel to satisfy up to 100% of their AFV acquisition requirements.

Fleets that can use biodiesel must maximize the use of biodiesel (up to 50% of requirements or the number of exemptions requested, whichever is lesser) or other credit options and thus minimize the need for exemptions. Fleets that prefer not to use biodiesel blends to partially satisfy their AFV acquisition requirements have the option of using banked credits, purchasing credits, or acquiring additional AFVs.

*Exemption requests that do not address biodiesel will be returned.*

For more information on using biodiesel, download:

- Biodiesel Fuel Use Credit Final Rule  
[www.ott.doe.gov/epact/pdfs/biodieselfinalcfr4901\\_11\\_1.pdf](http://www.ott.doe.gov/epact/pdfs/biodieselfinalcfr4901_11_1.pdf)
- Reporting Biodiesel Fuel Use Credits  
[www.ott.doe.gov/epact/pdfs/biodiesel\\_guidance.pdf](http://www.ott.doe.gov/epact/pdfs/biodiesel_guidance.pdf)

### **AFV Acquisition Deficits**

An exemption request for any fleet with deficient AFV acquisitions will not be processed until it formally notifies DOE in writing and explains how it plans to eliminate the deficit. Any fleet with deficient acquisitions that submits an exemption request will be notified immediately and asked to submit a plan that corrects the deficiency.

*The exemption request will not be processed until the plan is submitted and approved.*

Possible approaches to resolving deficits include agreeing to:

- Acquire extra AFVs (over-and-above normal requirements) during the next model year,
- Acquire credits, or
- Generate a sufficient surplus of credits through a combination of purchasing biodiesel and AFV acquisitions (under this last approach, fleets are reminded that credits generated through the purchase of biodiesel are limited to no more than 50% of requirements).